



# WASHOE COUNTY

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CM/ACM JCH  
Finance DN  
DA \_\_\_\_\_  
Risk Mgt. DE  
HR n/a  
Other n/a

## STAFF REPORT BOARD MEETING DATE: 6/09/2015

**DATE:** 5/20/2015

**TO:** Board of County Commissioners

**FROM:** Tony Kiriluk, IT Manager, Enterprise Infrastructure  
Washoe County Technology Services Department,  
775-858-5985, tkiriluk@washoecounty.us

**THROUGH:** Craig Betts, Chief Information Officer,  
Washoe County Technology Services Department,  
775-328-2355, cbetts@washoecounty.us

**SUBJECT:** Approve sole source purchases of Microsoft and Adobe licensing through joinder with the Western States Contracting Alliance (WSCA) Master Price Agreement for Software Value Added Reseller (SVAR) SHI International and approve expenditures that will aggregate to exceed [\$100,000] up to a maximum of [\$600,000] within the available Fiscal Year 2015-2016 adopted budget for technology infrastructure. (All Commission Districts)

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### SUMMARY

Technology Services regularly upgrades and modernizes equipment to maintain sustainable, efficient and effective technological infrastructure to support countywide functions. In Fiscal Year 2015-2016, Technology Services plans include upgrade of the County's primary central router equipment; data center switches in 3 facilities; T1 Routers in 13 locations; 6 firewalls; 16 file servers; 400 terabytes of data storage; 18 Uninterruptable Power Systems; the PBX phone system and 825 phones for 3 downtown facilities; and data wiring speed in 7 facilities.

Technology Services requests approval of sole source purchases of Microsoft and Adobe licensing through joinder with the Western States Contracting Alliance (WSCA) Master Price Agreement for Software Value Added Reseller (SVAR) SHI International and approve expenditures that will aggregate to exceed [\$100,000] up to a maximum of [\$800,000] within the available Fiscal Year 2015-2016 adopted budget for technology infrastructure.. The WSCA extended contract period has been extended through June 2, 2016.

AGENDA ITEM # #16

**Washoe County Strategic Objective supported by this item:** Sustainability of our financial, social and natural resources.

### **PREVIOUS ACTION**

The BCC has previously approved the following:

- June 17, 2014 - sole source purchases of Microsoft and Adobe licensing through joinder with the WSCA Master Price Agreement for SHI International. For Fiscal Year 2014 – 2015 to exceed [\$100,000] up to a maximum of [\$800,000].
- May 28, 2013 – sole source purchases of Microsoft and Adobe licensing through joinder with the WSCA Master Price Agreement for SHI International for Fiscal Year 2013-2014 to exceed [\$100,000], up to a maximum of [\$675,000].
- January 8, 2013 – sole source purchases of Microsoft and Adobe licensing through joinder with the WSCA Master Price Agreement for SHI International, effective April 10, 2012 through June 2, 2013 with the option of 3 one year extensions; to exceed [\$100,000], up to a maximum of [\$300,000] within Fiscal Year 2012-2013.
- May 22, 2012 – sole source purchases of Microsoft licensing through joinder with the WSCA Master Price Agreement with Dell, Inc and the Master Agreement for Microsoft through Dell/ASAP for State of Nevada; to exceed [\$100,000], but would remain within available funding for Fiscal Year 2012 – 2013.

### **BACKGROUND**

Technology Services routinely replaces aging technology equipment at the County in order to maintain stable, high performing infrastructure. In Fiscal Year 2015-2016 Technology Services plans to:

- Replace up to 16 older file servers.
- Replace up to 300 PCs.
- Replace the ancient analog based phone system which services 1 South Sierra, 75 Court Street, and the Reno Main Library and replace up to 825 older phone handsets with new VOIP (voice over internet protocol) based technologies.
- Replace and/or upgrade 400 Terabytes of data storage at 9<sup>th</sup> Street and 911 Parr.
- Upgrade County's central router equipment at 9<sup>th</sup> Street.
- Upgrade network switches at 9<sup>th</sup> Street, 350 S. Center, and 1 S. Sierra.
- Upgrade network link speed to 10GB in 7 County facilities
- Upgrade the routers running T-1 network circuits to 13 County locations.
- Upgrade 6 County firewall systems.
- Upgrade 18 Uninterruptable Power Systems (UPS) which provide power protection to vital network equipment.

In an effort to improve and standardize the County technology infrastructure, multiple purchases of Microsoft software licenses are purchased throughout the year. The County purchases Microsoft licensing through a volume licensing program known as "Microsoft Select". Washoe County through the years has joined as a subcontractor to the State of Nevada's Microsoft contract in order to take advantage of the deeper volume discounts involved with being part of a statewide volume pool; and in most recent years has joined the WSCA contract in order to gain access to volume discounts based on a large multi-state licensing pool. The current WSCA contract has been extended through June 2106. Similarly, State contracts for Adobe software are awarded to SHI International and the County joins on to that contract to obtain the greater discounting levels available through these shared state contracts.

These purchases will not have a direct impact on increasing Shared Service efforts, but will be purchased through shared volume licensing agreements that consolidate our purchases with other government agencies to create a greater discount level for all entities involved; and in some cases, the purchases involved will fund upgrades to infrastructure that supports existing shared services. The software is compatible with existing servers, data storage, network equipment, and Microsoft licensing at the Cities of Sparks and Reno, the Washoe School District, and the State of Nevada.

Pursuant to NRS 332.115, computer hardware and software are exempt from competitive bidding requirements.

### **FISCAL IMPACT**

Expenditures will exceed [\$100,000], but will not exceed [\$600,000] within the Fiscal Year 2015-2015 adopted budget for technology infrastructure. Sufficient funds are available in department technology replacement funds C108830, C108820, and C108810..

### **RECOMMENDATION**

It is recommended that the Board of County Commissioners approve sole source purchases of Microsoft and Adobe licensing through joinder with the Western States Contracting Alliance (WSCA) Master Price Agreement for Software Value Added Reseller (SVAR) SHI International and approve expenditures that will aggregate to exceed [\$100,000] up to a maximum of [\$600,000] within the available Fiscal Year 2015-2016 adopted budget for technology infrastructure.

### **POSSIBLE MOTION**

Should the Board agree with staff's recommendation, a possible motion would be to move to approve sole source purchases of Microsoft and Adobe licensing through joinder with the Western States Contracting Alliance (WSCA) Master Price Agreement for Software Value Added Reseller (SVAR) SHI International and approve expenditures that will aggregate to exceed [\$100,000] up to a maximum of [\$600,000] within the available Fiscal Year 2015-2016 adopted budget for technology infrastructure.

**WASHOE COUNTY  
SOLE SOURCE PURCHASE REQUEST FORM**

**This form must accompany a purchase requisition when sole source approval is requested for equipment, supplies or services exceeding \$25,000.**

DEPARTMENT Technology Services LOCATION 1000 E 9<sup>th</sup> St., Ste. C220, Reno, NV

REQUESTOR'S NAME Tony Kiriluk TELEPHONE # 775-858-5985

REQUISITION NUMBER TBD DATE 5/20/2015

RECOMMENDED SOLE SOURCE SUPPLIER SHI

DESCRIPTION OF GOOD OR SERVICE REQUESTED Microsoft PC and Server operating systems licensing and application software licensing.

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I have read and understand the Policies and Procedures of the Board of County Commissioners with regard to sole source procurements. I understand that competition is the preeminent consideration in the expenditure of County funds, and I acknowledge the County's commitment to the principle of fairness to any vendor who would like to do business with the County. After observing these principles and considerations, I hereby submit that the goods, services, and/or vendor specified in the accompanying requisition fit the County's sole source criteria for the following reasons: Please provide sufficient detail to clearly identify the reason(s) for this sole source procurement request. Attach additional information if necessary.

1. The product is unique in design and/or features that are required for a specific application. List the unique features and explain why they are needed for the application the product will be used for.

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2. The product being purchased must be compatible with existing equipment. Identify the existing equipment.

Washoe County has standardized on Microsoft operating systems for our Desktops, laptops, and servers, and on Microsoft applications softwares for databases, web services, email, sharepoint services, and office productivity software.

3. The product requested is one which the user has had specialized training for. Identify who the user of this product will be and provide a description of the previous training.

County Technology Services staff is trained and certified to support, repair, and administer Microsoft operating systems and applications.

4. The product or service is available only from the manufacturer or their authorized representative. Identify the manufacturer or authorized representative, and provide telephone number and address information.

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5. Consultants/Subcontractors: The individual/company is the most suitable to provide the service requested and the selection process is based on the following:

There is evidence that the assistance to be provided is essential and cannot be provided by persons receiving salary support within Washoe County.

A selection process was utilized to select the most qualified person.

( ) The consulting charges are appropriate considering the qualifications of the consultant or company based on past experience and the nature of the work to be performed.

( X ) 6. Other. Please explain the specific circumstances and/or requirements that warrant the goods or services request to be procured from a sole source.

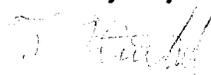
SHI holds the contract for Microsoft licensing for the Western States Contracting Alliance (WSCA) contract to which the County has a joinder.

Pursuant to NRS 332.115, computer hardware and software are exempt from competitive bidding requirements. ..

( X ) 7. The following provides justification as to reasonableness of price:

The discounts that SHI provides through the WSCA contracted pricing sets the County's discounts based on a multi-state shared volume pool; providing far higher discounting than the County could obtain through any other reseller.

I understand that I may be required to justify this sole source procurement before the appropriate authority, including the Board of County Commissioners, and that my signing this document knowing any of it to be false may subject me to administrative action.

  
\_\_\_\_\_  
Signature of Requestor

  
\_\_\_\_\_  
Department Head Approval

Craig Betts  
Print Name

I, \_\_\_\_\_, authorized Buyer, recommend the following:

Sole source justification is adequate and exempt from competitive bidding requirements per NRS 332.115.

( ) Sole source justification is adequate to justify exemption from competitive bidding requirements per NRS 332.\_\_\_\_.

( ) Sole source justification is inadequate and request is returned to department for additional justification, instructions on whether to seek competitive bids for the goods or services requested, or to withdraw the request.

\_\_\_\_\_  
Buyer

  
\_\_\_\_\_  
Purchasing & Contracts  
Manager

\_\_\_\_\_  
Date

5-27-2015  
\_\_\_\_\_  
Date